

4

DEVELOPMENT CHARGE CREDIT REQUEST 1209104 ONTARIO LTD. ORSI SUBDIVISION, TOWN OF NEWMARKET

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, December 6, 2005, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$79,824 (76.5%) for the growth-related component (development charges) and a recovery of \$24,521 (23.5%) for the non-growth component (tax levy) of road works undertaken by 1209104 Ontario Ltd. in the Town of Newmarket, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; and,
2. The Regional Solicitor be authorized to include the development charge credit provisions in the subdivision agreement regarding the above-noted subdivision with credits to be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road improvements performed by 1209104 Ontario Ltd. on Yonge St. and Clearmeadow Boulevard intersection in the Town of Newmarket in advance of the construction timing projected in the Regional Roads Capital Program.

3. BACKGROUND

3.1 DC Credit Policy

At its May 9th and May 23rd, 1996 meetings, Regional Council approved a detailed development charge credit policy for capital works undertaken by the developer in advance of the planned reconstruction program (subsequently amended June 23, 2003 as part of the passing of Regional Development Charge By-law No. DC-0005-2003-050).

The developer, 1209104 Ontario Ltd., has forwarded a request for the consideration of DC credits for road intersection improvements on Yonge Street and Clearmeadow Boulevard in the Town of Newmarket (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

1209104 Ontario Ltd. is currently developing a residential subdivision in the Town of Newmarket. In order to proceed with the development of the lands, the developer is required to undertake roadwork improvements at the intersection of Yonge Street and Clearmeadow Boulevard intersection in the Town of Newmarket in advance of the planned reconstruction program at an estimated cost of \$353,048.19.

The initial request for the development charge credit was received in July 2000. Subsequently, the first phase was registered in September 2000 prior to the Region's review of eligible DC credits. Further information was required from the applicant and several attempts were made to acquire this information. These details were not provided as the applicant was not prepared at the time to register subsequent phases. The applicant is now in a position to register subsequent phases in the above-noted subdivision and has recently contacted the Region to proceed with the DC credit review process.

5. FINANCIAL IMPLICATIONS

Development Charge Credit

The subject subdivisions (19T-85N86, 19T-87N29) are comprised of approximately 380 residential units. Buildout of the subdivision would result in regional development charges payable of approximately \$3.9 million, of which \$1.3 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by 1209104 Ontario Limited in accordance with the approved DC credit policy, and has determined that \$104,345 of the total value of the road works is eligible for DC credit (Attachment 2).

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of \$79,824 (76.5%), and a recovery of \$24,521 (23.5%) be allowed for the non-growth component (tax levy). The growth-related component (development charges) of the DC credit is to be funded from future Regional roads, DC Credits otherwise payable at the time of subdivision registration, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works. The non-growth component (tax levy) of the works has been provided for in the 2006 Roads Capital Budget. The developer has been contacted and is in agreement with the credit amount.

The combined year to date (for 2006) cumulative impact on tax levy (non-growth component) of DC credits proposed and/or approved by Finance and Administration Committee and Council is \$38,570. An amount of \$950,000 has been provided in the 2006 budget to fund the non growth component of such projects.

It is proposed that the Regional Solicitor be authorized to include the DC credit in the subdivision agreement regarding the Orsi subdivision. The DC credit will be subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works, and will be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Newmarket in terms of improving traffic flow along Yonge Street and Clearmeadow Boulevard. These improvements also facilitate the buildout of the subdivision in the Town of Newmarket.

7. CONCLUSION

The DC credit request submitted by 1209104 Ontario Ltd. has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to satisfactory completion of the works, the developer be eligible for a roads DC credit of \$79,824 (76.5%) and a non-growth cost recovery of \$24,521 (23.5%) from tax levy.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause are attached to this report.)